Diversion of UTI Money by Business India Group

†3134. SHRI NAGENDRA NATH OJHA:
SHRI SUKHDEV SINGH LIBRA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Unit Trust of India has provided money to the Business India Group;

(b) if so, whether Government are aware that the management of the company has diverted the said amount for some other purposes; and

(c) if so, what action Government are going to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Yes, Sir. UTI has intimated that they have invested Rs. 15 crores in Optionally Fully Convertible Debentures (OFCDs) of Business India Publication Ltd. on 3rd December, 1999. The Trust has an option to covert the OFCDs into equity shares @ Rs. 150.00 per share anytime after allotment. The amount was raised by the company for purchase of capital equipment, office premises and acquiring of magazine titles.

(b) and (c) Information is being collected and will be laid on the Table of the House.

World Bank's assistance for Drinking Water Projects

†3135. PROF. M.M. AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to take World Bank assistance for Drinking Water Projects in Rajasthan, Orissa, Chhattisgarh, Uttaranchal, Jharkhand and Madhya Pradesh;

(b) if so, the details thereof; and

(c) the latest position of these projects in all these States?

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†Original notice of the question was received in Hindi.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (c) We have not received any proposal seeking World Bank assistance for Drinking Water Projects from the State Governments of Rajasthan, Orissa, Chhattisgarh, Uttaranchal and Jharkhand. As such, the Government does not propose to take World Bank assistance for the same, presently. However, a proposal for drinking water project was received from Government of Madhya Pradesh in 1998, which was posed to the World Bank.

The Bank advised that a revised proposal would be needed in consonance with Sector Reform Principles. Accordingly, the State Government has been requested to submit the revised proposal, which is awaited.

Foreign exchange reserve

†3136. PROF. M.M. AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) the amount of foreign exchange reserves in the country as on 30th June, 2001;

(b) how much foreign exchange reserves in the country is less in comparison to the last year;

(c) the reasons of shortfall in foreign exchange reserves; and

(d) the steps proposed to be taken by Government to increase the foreign exchange reserves in country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) India's foreign exchange reserves (including gold and SDRs) held by the Reserve Bank of India amounted to US $ 43.45 billion as on June 30, 2001. This shows an increase of US $ 6.72 billion compared with the level of US $ 36.73 billion as on June 30, 2000.

(c) Does not arise.

(d) The level of foreign exchange reserves at present is

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